

CHARTER AMENDMENT RESOLUTION NO. R-13-15

A CHARTER AMENDMENT RESOLUTION to

Charter Amendment Resolution No. R-13-15, to Amend the Charter Regarding General Obligation Borrowings
March 11, 2013
Page 1 of 5

MARKETABILITY OF OR AS SECURITY FOR SUCH OBLIGATIONS AND FOR SECURING ANY TENDER OPTION, AND (9) SUCH OTHER PROVISIONS AS THE COUNCIL MAY DETERMINE NECESSARY OR DESIRABLE, INCLUDING WHETHER SUCH OBLIGATIONS SHALL BE SOLD FOR CASH OR OTHER VALUABLE CONSIDERATION OR FURTHER PROVIDING FOR APPLICATION OF PROCEEDS; PROVIDING THAT ANY SUCH RESOLUTION MAY BE INTRODUCED AND ADOPTED AT A SINGLE SESSION; PROVIDING THAT THE COUNCIL MAY INSTEAD BY ORDINANCE DETERMINE, APPROVE OR PROVIDE FOR THE APPROVAL OF ANY OF THE MATTERS SPECIFIED AS BEING DETERMINABLE BY RESOLUTION; PROVIDING FOR OR AUTHORIZING THE METHODS BY WHICH ANY SUCH OBLIGATIONS MAY BE BID FOR IN CONNECTION WITH THE SALE OF THE SAME BY SOLICITATION OF COMPETITIVE BIDS AT PUBLIC SALE AND THE METHODS BY WHICH ANY NOTICE OF SALE OR SUMMARY THEREOF MAY BE PUBLISHED OR DISSEMINATED; PROVIDING THAT THE POWER SET FORTH IN CHARTER SECTION C-817 IS ADDITIONAL AND SUPPLEMENTAL TO ANY OTHER APPLICABLE GENERAL OBLIGATION BORROWING AUTHORITY; GENERALLY RELATING TO THE ISSUANCE AND TERMS OF SUCH OBLIGATIONS; AND PROVIDING FOR COMPLIANCE WITH CERTAIN PROVISIONS OF THE ANNOTATED CODE OF MARYLAND REGARDING CHARTER AMENDMENTS.

WHEREAS, Section C-817 of the Charter of The City of Seat Pleasant (the "City"), as currently in effect, authorizes the City to issue its general obligation bonds, notes, or other certificates of indebtedness in the manner prescribed in Sections 31 to 37, inclusive, of Article 23A of the Annotated Code of Maryland (the "Enabling Act"), but such Charter Section does not authorize the City to sell general obligation debt by private (negotiated) sale; and

WHEREAS, legal counsel to the City has recommended that the City, as permitted by the Enabling Act, amend its Charter to allow general obligation debt to be sold by private (negotiated) sale and to give the City greater flexibility regarding the issuance of general obligation debt.

NOW, THEREFORE, BE IT RESOLVED by the Council of The City of Seat Pleasant, that:

SECTION 1. Pursuant to the authority of Article XI-E of the Constitution of Maryland, as published in the Constitution of Maryland Article of the Annotated Code of Maryland (West 2002 and 2012 Cumulative Supplement), as amended to date, and Section 13 of Article 23A of the Annotated Code of Maryland (West 2002 and 2012 Cumulative Supplement), as amended to date ("Article 23A"), Section C-817 of the Charter of the City of Seat Pleasant (as published in Municipal Charters of Maryland, Volume 7, 2008 Replacement Edition and November 2011 Supplement), as amended to date (the "Charter"), be repealed and re-enacted, with amendments, to read as follows:

Section C-817. Authorization to Borrow Money.

(a) The City shall have the power to borrow money for any proper public purpose and to evidence such borrowing by the issue and sale of its general obligation bonds, notes[,] or other [certificates] evidences of indebtedness in the manner prescribed in [Section C-31 to 37, inclusive, of Article 23A of the Annotated Code of Maryland (1957 edition, as amended), title "Municipal Corporations," subtitle "Creation of Municipal Public Debt."] *this Section.*

(b) *All general obligation bonds, notes or other evidences of indebtedness issued under the provisions of this Section shall be authorized by an ordinance that shall contain: (1) a statement of the maximum aggregate principal amount of such obligations to be issued; (2) a statement of the purpose or purposes for which the proceeds of such obligations are to be expended; (3) a pledge of the security for such obligations and, if applicable, a statement that such obligations shall be payable in the first instance from a specified source of revenue or provisions for the making of such statement by resolution; and (4) a requirement that, subject to the provisions of subsection (d) below, prior to the issuance of any such obligations, the Council shall adopt a resolution in accordance with the provisions of subsection (c) below.*

(c) *Prior to issuing any such obligations identified in subsection (b) above, the Council shall adopt a resolution containing, determining or providing for the determination of, or approving or providing for the approval of: (1) the designation, date of issue, denomination or denominations, form or forms and tenor of such obligations; (2) the rate or rates of interest payable on such obligations (which may be fixed or variable or may be determined by a method approved or provided for); (3) the date or dates and amount or amounts of maturity, which may be in any denomination and which may be in serial and/or term maturities or otherwise payable in installments; (4) the manner of selling such obligations, which may be either by solicitation of competitive bids at public sale after publication or dissemination of the notice of sale or a summary thereof or by private (negotiated) sale without advertisement or solicitation of competitive bids; (5) the price or prices of such obligations, which may be at, above or below par value; (6) any desired provisions relating to the redemption or put of such obligations prior to maturity (which may be at, above or below par value), and the manner of publishing or otherwise giving notice of such redemption or put; (7) the manner of executing and sealing such obligations, which may be by facsimile; (8) any documents pursuant to which such obligations are to be issued or secured, including, without limitation, agreements with banks, fiduciaries, insurers or others for the purpose of enhancing the marketability of or as security for such obligations and for securing any tender option granted to the holders thereof; and (9) such other provisions regarding the terms, conditions, issuance, sale, delivery and security of and for such obligations as the Council may determine necessary or desirable, including, without limitation, whether such*

obligations shall be sold for cash or other valuable consideration or further specifying the purposes for which such obligations are to be expended (within the limitations set forth in the applicable ordinance). By resolution the Council may delegate to a specified official or officials the authority to approve any matters or make any determinations contemplated by this subsection (c). A resolution adopted pursuant to this subsection (c) may be introduced and adopted at a single session of the Council and shall become effective immediately upon adoption or upon the date specified in such resolution.

(d) The Council may, at its option, determine or provide for the determination of, or approve or provide for the approval of, any of the matters referenced in subsection (c) above by ordinance instead of by resolution.

(e) In connection with any sale of general obligation bonds, notes or other evidences of indebtedness by the solicitation of competitive bids at public sale, any such competitive bids may be delivered by electronic and/or facsimile means and/or by any other then-commercially reasonable manner for the public sale of municipal obligations by competitive bid; and any notice of sale may be published solely in summary form in a newspaper of general circulation in the City and/or in a generally recognized financial journal such as The Bond Buyer, or any notice of sale, rather than being published in full or summary form, may be made available solely via the internet or by other electronic means and/or by any other then-commercially reasonable manner for the sale of municipal obligations, all as determined by the Council by resolution or ordinance in accordance with the provisions of subsection (c) or subsection (d) above, as applicable. To the extent the Council determines to publish the notice of sale in full or summary form, any such publication need only be made once at least seven (7) days before the initial date fixed for sale.

(f) The power conferred on the City under this Section shall be deemed to be additional and supplemental to any other general obligation borrowing authority granted to the City by Maryland, City or federal law, and the City may authorize, issue and secure any such general obligation debt in conformity with this Section and/or any other applicable law.

SECTION 2. The amendments to the Charter adopted by this Resolution shall become effective upon the fiftieth (50th) day after passage of this Resolution, unless a proper petition for referendum meeting the requirements of Section 13 of Article 23A shall be presented or mailed to the Council in accordance with such Section 13 of Article 23A on or before the fortieth (40th) day after passage of this Resolution. A complete and exact copy of this Resolution shall be posted at City Hall or other main municipal building or public place for a period of at least forty (40) days following its adoption, and the title to this Resolution, being a fair summary of the amendments to the Charter adopted hereby, shall be published in a newspaper of general circulation in the City not less than four (4) times, at weekly intervals, within a period of forty (40) days starting immediately after the date of adoption of this Resolution.

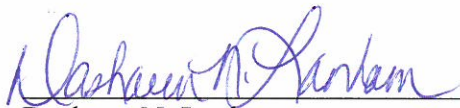
SECTION 3. The City Clerk shall send or cause to be sent to the Department of Legislative Services of the State of Maryland in accordance with the provisions of Sections 17(f) and 9A of Article 23A, the following documents or information concerning the Charter amendments: (1) the complete text of this Resolution; (2) the date of the referendum election, if any, held with respect thereto; (3) the number of votes cast for or against this Resolution by the Council or in a referendum; and (4) the effective date of the Charter amendments.

SECTION 4. The City Administrator is hereby authorized and directed to carry out or cause to be carried out the provisions of Sections 2 and 3 hereof; and as evidence of compliance herewith, the City Clerk shall cause to be maintained in the records of the City an appropriate certificate of publication in the newspaper in which the fair summary of the Charter amendments shall have been published or other evidence of publication; provided that, the failure to so maintain the same shall not invalidate the effectiveness of the Charter amendments provided for in this Resolution.

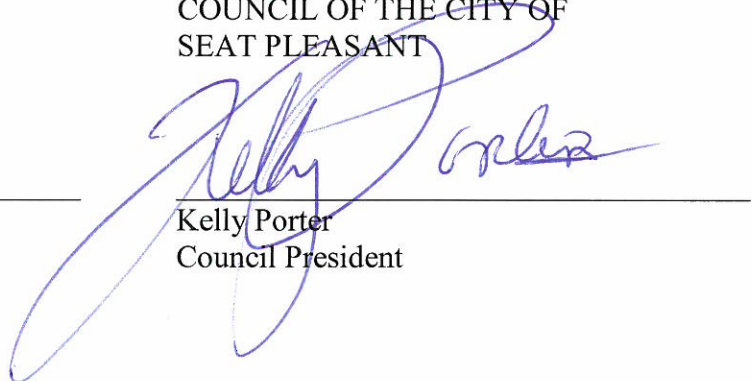
READ AND PASSED THIS 11th DAY OF March, 2013.

Attest:

COUNCIL OF THE CITY OF
SEAT PLEASANT



Dashaun N. Lanham
City Clerk



Kelly Porter
Council President

KEY:

Italics indicate matter added to existing Charter.

[**Boldface brackets**] indicate matter deleted from existing Charter.

Underlining indicates text added to this Charter Amendment Resolution by amendment following introduction.

~~Strike-throughs~~ indicate text deleted from this Charter Amendment Resolution by amendment following introduction.

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